

**University-Student Union at
California State University, Los Angeles**

**Financial Statements
(With Supplementary Information)
and Independent Auditor's Report**

June 30, 2021 and 2020

University-Student Union at California State University, Los Angeles

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Independent Auditor's Report

The Board of Directors
University-Student Union at California State University, Los Angeles
(A California State University Auxiliary Organization)

Report on the Financial Statements

We have audited the accompanying financial statements of University-Student Union at California State University, Los Angeles, which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of University-Student Union at California State University, Los Angeles as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information on pages 22 to 29 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 20, 2021 on our consideration of University-Student Union at California State University, Los Angeles's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University-Student Union at California State University, Los Angeles's internal control over financial reporting and compliance.



Los Angeles, California
September 20, 2021

University-Student Union at California State University, Los Angeles

**Statements of Financial Position
June 30, 2021 and 2020**

Assets

	<u>2021</u>	<u>2020</u>
Assets		
Cash	\$ 461,079	\$ 514,698
Investments	5,906,734	4,835,250
Accounts receivable from affiliates	22,128	841
Notes receivable	63,600	84,800
Prepaid expenses and deposits	252,456	2,569
Capital assets, net	69,071	90,918
Net post retirement benefit asset	<u>187,426</u>	<u>-</u>
Total assets	<u><u>\$ 6,962,494</u></u>	<u><u>\$ 5,529,076</u></u>

Liabilities and Net Assets

Liabilities		
Accounts payable to affiliates	\$ 18,180	\$ 18,904
Accounts payable	149,254	42,924
Accrued liabilities	217,186	203,087
Unearned revenue	238,262	243,664
Net post retirement benefit liability	<u>-</u>	<u>560,348</u>
Total liabilities	<u>622,882</u>	<u>1,068,927</u>
Commitments and contingencies		
Net assets		
Without donor restrictions	<u>6,339,612</u>	<u>4,460,149</u>
Total net assets	<u>6,339,612</u>	<u>4,460,149</u>
Total liabilities and net assets	<u><u>\$ 6,962,494</u></u>	<u><u>\$ 5,529,076</u></u>

See Notes to Financial Statements.

University-Student Union at California State University, Los Angeles

**Statements of Activities
Years Ended June 30, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
Support and revenues		
Activity fees	\$ 4,650,000	\$ 5,003,157
Donated use of facilities	98,226	90,907
University support	160,344	160,344
Investment income	7,485	113,453
Rental income	100,986	161,711
Event income	-	2,710
Other	<u>93,633</u>	<u>121,653</u>
Total support and revenues	<u>5,110,674</u>	<u>5,653,935</u>
Expenses		
Program services		
Student programs	2,537,920	3,027,336
Supporting services		
Institutional support	809,850	850,144
Building operations	<u>820,945</u>	<u>1,090,501</u>
Total expenses	<u>4,168,715</u>	<u>4,967,981</u>
Postretirement changes other than net postretirement benefit cost	<u>(937,504)</u>	<u>505,902</u>
Change in net assets	1,879,463	180,052
Net assets, beginning	<u>4,460,149</u>	<u>4,280,097</u>
Net assets, end	<u><u>\$ 6,339,612</u></u>	<u><u>\$ 4,460,149</u></u>

See Notes to Financial Statements.

University-Student Union at California State University, Los Angeles

**Statement of Functional Expenses
Year Ended June 30, 2021**

	<u>Student programs</u>	<u>Institutional support</u>	<u>Building operations</u>	<u>Total</u>
Salaries and wages	\$ 1,303,185	\$ 338,614	\$ 331,344	\$ 1,973,143
Employee benefits	677,484	174,504	174,503	1,026,491
Other components of net postretirement benefit cost	(3,769)	(971)	(971)	(5,711)
General and administrative	93,770	85,966	100,888	280,624
Insurance	6,559	20,249	-	26,808
Equipment rental and maintenance	27,722	20,748	29,727	78,197
Advertising and marketing	23,540	19,039	-	42,579
Program	119,935	4,890	-	124,825
Depreciation	15,833	21,892	-	37,725
Travel	1,411	3,614	-	5,025
Professional services	67,147	78,091	-	145,238
Donated use of facilities	98,226	-	-	98,226
Other expense	106,877	43,214	185,454	335,545
	<u>\$ 2,537,920</u>	<u>\$ 809,850</u>	<u>\$ 820,945</u>	<u>\$ 4,168,715</u>

See Notes to Financial Statements.

University-Student Union at California State University, Los Angeles

**Statement of Functional Expenses
Year Ended June 30, 2020**

	<u>Student programs</u>	<u>Institutional support</u>	<u>Building operations</u>	<u>Total</u>
Salaries and wages	\$ 1,656,383	\$ 343,170	\$ 586,210	\$ 2,585,763
Employee benefits	632,345	131,009	223,793	987,147
Other components of net postretirement benefit cost	(23,365)	(4,841)	(8,269)	(36,475)
General and administrative	161,007	141,852	210,712	513,571
Insurance	6,327	19,532	-	25,859
Equipment rental and maintenance	38,109	35,263	8,926	82,298
Advertising and marketing	56,528	18,567	-	75,095
Program	256,692	-	-	256,692
Depreciation	14,209	23,075	-	37,284
Travel	15,025	23,287	739	39,051
Professional services	60,017	78,115	-	138,132
Donated use of facilities	90,907	-	-	90,907
Other expense	63,152	41,115	68,390	172,657
	<u>\$ 3,027,336</u>	<u>\$ 850,144</u>	<u>\$ 1,090,501</u>	<u>\$ 4,967,981</u>

See Notes to Financial Statements.

University-Student Union at California State University, Los Angeles

Statements of Cash Flows
Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities		
Change in net assets	\$ 1,879,463	\$ 180,052
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	37,725	37,284
Post retirement benefits	(937,504)	505,902
Changes in operating assets and liabilities		
Accounts receivable from affiliates	(21,287)	43,811
Accounts receivable	-	30
Prepaid expenses and deposits	(249,887)	26,674
Net post retirement benefit asset/liability	189,730	139,654
Accounts payable to affiliates	(724)	(12,907)
Accounts payable	106,330	(235,405)
Accrued liabilities	14,099	(11,992)
Unearned revenue	<u>(5,402)</u>	<u>25,770</u>
Net cash provided by operating activities	<u>1,012,543</u>	<u>698,873</u>
Cash flows from investing activities		
Purchase of capital assets	(15,878)	-
Principal payment on notes receivable	21,200	21,200
Purchases of investments	(4,507,484)	(4,713,454)
Proceeds from sales of investments	<u>3,436,000</u>	<u>3,933,000</u>
Net cash used in investing activities	<u>(1,066,162)</u>	<u>(759,254)</u>
Net decrease in cash	(53,619)	(60,381)
Cash, beginning	<u>514,698</u>	<u>575,079</u>
Cash, end	<u><u>\$ 461,079</u></u>	<u><u>\$ 514,698</u></u>

See Notes to Financial Statements.

University-Student Union at California State University, Los Angeles

Notes to Financial Statements June 30, 2021 and 2020

Note 1 - Business activity and summary of significant accounting policies

Business activity

University-Student Union at California State University, Los Angeles (a California State University Auxiliary Organization) (the "Union") is a nonprofit auxiliary organization related to California State University, Los Angeles (the "University"). The Union operates the Student Union building, as well as sponsors various campus activities that complement the instructional and recreational programs and initiatives of the University.

Basis of accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Financial statement presentation

The Union reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restriction. They are described as follows:

Net Assets without Donor Restrictions - Net assets for use in general operations and not subject to donor (or certain grantor) restrictions. Net assets may be designated for specific purposes by action of the Board.

Net Assets with Donor Restrictions - Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time, purpose or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. At June 30, 2021 and 2020, the Union does not have any net assets with donor restrictions.

Accounts receivable

Accounts receivable are stated at unpaid balances less an allowance for doubtful accounts. The Union provides for losses on receivables using the allowance method which is based on experience and other circumstances. The Union considers all accounts receivable to be fully collectible and, as such, an allowance for doubtful accounts is not considered necessary.

Investments

Investments are reported at their fair values in the statements of financial position. Realized and unrealized gains or losses are included in the statements of activities as investment income (loss). At June 30, 2021 and 2020, investments consist of pooled investment funds with the State of California in the amount of \$5,906,734 and \$4,835,250, respectively.

University-Student Union at California State University, Los Angeles

Notes to Financial Statements June 30, 2021 and 2020

Fair value measurements

The Union values its financial assets and liabilities based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

Level 1: Quoted priced (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

Capital assets

Capital assets are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which range from three to ten years. Repairs and maintenance are charged to expenses as incurred.

Revenue recognition

Activity fees are collected from student tuition and recognized as revenue in accordance with the academic year. Other revenues are recorded when earned. Deferred revenue consists of amounts received which have not been earned. These amounts are transferred to revenue when earned.

Income taxes

The Union is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the Revenue Taxation Code of California. Accordingly, no provision for income taxes is included in the accompanying financial statements.

The Union has no unrecognized tax benefits at June 30, 2021 and 2020. The Union's federal and state income tax returns prior to 2018 and 2017, respectively, are closed and management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings.

If applicable, the Union recognizes interest and penalties associated with tax matters as part of income tax expense and includes accrued interest and penalties with accrued liabilities in the statements of financial position.

Functional allocation expenses

The costs of providing programs and activities have been summarized on a functional basis in the accompanying statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on personnel time and space utilized for activities.

University-Student Union at California State University, Los Angeles

Notes to Financial Statements June 30, 2021 and 2020

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Donated use of facilities

The Union records donated use of facilities from affiliated organizations. The donated use of facilities is recorded at fair value. For the years ended June 30, 2021 and 2020, the Union recorded \$98,226 and \$90,907, respectively, as donated use of facilities and expense.

Student organization activities

Per California State University Administrative Policy 3141.01, the Union is obligated to administer student organization funds. Collections and disbursements relating to the student organizations are, respectively, recorded as revenues and expenses to the Union. For the years ended June 30, 2021 and 2020, the changes in net assets attributable to collections and disbursements of student organization funds that are included in the accompanying statements of activities are as follows:

	2021	2020
Revenues	\$ 77,012	\$ 83,507
Expenses	24,606	88,760
	<u>\$ 52,406</u>	<u>\$ (5,253)</u>

Adoption of new accounting pronouncement

The Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-09, Revenue from Contracts with Customers ("Topic 606") in May 2014, providing new revenue recognition guidance that superseded existing revenue recognition guidance. The update, as amended, requires the recognition of revenue related to the transfer of goods or services to customers reflects the consideration to which the entity expects to be entitled in exchange for those goods or services, as well as additional qualitative and quantitative disclosures about revenues. The Union adopted ASU 2014-09 on July 1, 2020 using the modified retrospective method of transition for all contracts that were not completed as of that date.

The Union's revenue for reporting periods ended after June 30, 2020 is presented under the new guidance, while financial results for prior periods will continue to be reported in accordance with the prior guidance and the Union's historical accounting policy. The Union has not experienced changes to the pattern of revenue recognition for its contracts, the identification of contracts and performance obligations or the measurement of variable consideration.

Subsequent events

The Union has evaluated the impact of subsequent events through September 20, 2021, which is the date these financial statements were available to be issued.

Note 2 - Liquidity and availability

The Union regularly monitors liquidity required to meet its operating needs and other contractual commitments. The Union has various sources of liquidity at its disposal, including cash, receivables, and investments.

University-Student Union at California State University, Los Angeles

**Notes to Financial Statements
June 30, 2021 and 2020**

The emergence of COVID-19 may impact the Union's liquidity (see Note 9). Management continues to regularly monitor liquidity and has reduced expenditures as a result of reduced revenue streams.

At June 30, 2021 and 2020, the Union had the following financial assets and liquidity resources available over the next 12 months:

	<u>2021</u>	<u>2020</u>
Cash	\$ 461,079	\$ 514,698
Receivables due within one year, net	43,328	22,041
Short-term investments	<u>5,906,734</u>	<u>4,835,250</u>
	<u>\$ 6,411,141</u>	<u>\$ 5,371,989</u>

Note 3 - Cash

At June 30, 2021 and 2020, cash is composed of the following:

	<u>2021</u>	<u>2020</u>
Cash on hand	\$ 2,650	\$ 2,650
Cash in bank	239,209	345,848
Cash in bank designated for student organizations	<u>219,220</u>	<u>166,200</u>
	<u>\$ 461,079</u>	<u>\$ 514,698</u>

The Union's cash deposits are considered public funds from a public unit, as defined by the Federal Deposit Insurance Corporation ("FDIC"), and are contractually insured and collateralized in accordance with California Government Code requirements to secure its deposits by pledging government securities as collateral. The market value of pledged securities is equal to 110% of an agency's deposits. California law also allows financial institutions to secure an agency's deposits by pledging first trust deed mortgage notes having a value of 150% of an agency's total deposits. Collateral is considered to be held in the name of the Union. At June 30, 2021 and 2020, the bank balances for the Union were in excess of FDIC limits in the amounts of \$336,007 and \$408,830, respectively.

Note 4 - Fair value measurements

At June 30, 2021 and 2020, investments are carried at fair value and are classified in one of the three categories as described in Note 1. The pooled investment funds are not traded on an active market and are therefore classified as Level 2 and are valued using quoted prices for similar assets in active exchange markets.

University-Student Union at California State University, Los Angeles

**Notes to Financial Statements
June 30, 2021 and 2020**

Note 5 - Capital assets

At June 30, 2021 and 2020, capital assets consist of the following:

	<u>2021</u>	<u>2020</u>
Audio visual equipment	\$ 238,378	\$ 238,378
Computer equipment	51,325	35,447
Office equipment	15,759	15,759
Operating equipment	32,588	32,588
Equipment	103,584	103,584
Vehicles	<u>11,427</u>	<u>11,427</u>
 Total capital assets	 453,061	 437,183
Less: accumulated depreciation	<u>(383,990)</u>	<u>(346,265)</u>
 Total capital assets, net	 <u>\$ 69,071</u>	 <u>\$ 90,918</u>

Depreciation expense for the years ended June 30, 2021 and 2020 was \$37,725 and \$37,284, respectively.

Note 6 - Notes receivable

In June 2008, the Union advanced California State University, Los Angeles, University Auxiliary Services, Inc. ("UAS"), an affiliated organization, \$172,000 for furniture and equipment and \$318,000 for tenant improvements in the University-Student Union Building. Under the terms of the advance, UAS must repay the Union a noninterest-bearing annual payment of \$17,200 beginning September 1, 2009 through September 1, 2018 and \$21,200 beginning September 1, 2019 through March 30, 2023. At June 30, 2021 and 2020, notes receivable were \$63,600 and \$84,800, respectively.

The following is a schedule of payments to be received under the notes receivable:

<u>Year Ended</u>	
2022	\$ 21,200
2023	<u>42,400</u>
	 <u>\$ 63,600</u>

Note 7 - Unearned revenue

The California State University, Los Angeles Alumni Association (the "Alumni Association"), an affiliated organization, entered into a noncancelable lease agreement with the Union for office space in the University-Student Union building. The agreement requires 20 annual payments from the inception of the lease through the year 2027. The Union recognizes the rental income on a straight-line basis over the 30-year lease term, resulting in unearned revenue of \$188,770 and \$176,972 at June 30, 2021 and 2020, respectively.

University-Student Union at California State University, Los Angeles

Notes to Financial Statements June 30, 2021 and 2020

Note 8 - Lease arrangements as a lessor

The Union leases out space of the University-Student Union building to various affiliated organizations under noncancelable operating subleases expiring through August 2038. The following is a schedule of the minimum future rental income under the noncancelable leases:

2022	\$	144,903
2023		112,924
2024		23,596
2025		23,596
2026		23,596
Thereafter		<u>283,152</u>
	\$	<u>611,767</u>

Note 9 - Commitments and contingencies

Revenue bonds

Since December 1996, a series of Systemwide Revenue Bonds were issued by the Trustees of California State University and Colleges (the "Trustees") for renovation and replacement of the University's Student Union Building. Legal title to the University's Student Union Building is vested along with the related debt, with the Trustees. While both the building and debt are carried on the books of the Trustees and are excluded from the Union's financial statements, the Union receives only a portion of activity fees from the University after the necessary debt service requirements for these revenue bonds, along with other University expenses, are met.

Excess of activity fees

The Union has entered into an agreement with the Office of the Chancellor of the California State University that expires on June 30, 2023, and provides, among other things, that the excess of the activity fees collected by the University (after satisfying certain reserve requirements and servicing the principal and interest payments on the revenue bonds) is available for payment of expenses incurred in the operation of the Union.

Pursuant to this agreement the Union received from the University \$4,650,000 and \$5,003,157 in activity fees for fiscal years 2021 and 2020, respectively, to fund its operation.

Coronavirus

In December 2019, a novel strain of the coronavirus ("COVID-19") was reported. On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closures. As a result of mandates issued by government officials, the campus of California State University, Los Angeles and the Union transitioned to virtual learning and programming in late March 2020. For the fall semester of 2021 the campus returned to in-person instruction, following LA County guidelines and public health protocols.

Activity fee revenue was not impacted because all activity fees for the fiscal years ended June 30, 2021 and 2020 were received. According to the Interim CSU Refund Policy for Tuition and Fees, retired in March 2021, mandatory activity fees will not be refunded. While the disruption is expected to be temporary, there is considerable uncertainty around the duration of this disruption. Therefore,

University-Student Union at California State University, Los Angeles

Notes to Financial Statements June 30, 2021 and 2020

while the Union expects this matter to continue to temporarily impact the Union's financial condition, the extent of the financial impact and duration cannot be reasonably estimated at this time.

Note 10 - Retirement plan

The Union provides pension benefits through the Teachers Insurance and Annuity Association - College Retirement Equities Fund (the "Pension Plan"), a defined contribution plan, to all eligible employees (as defined by the Pension Plan agreement). The Pension Plan consists of two parts. Part one consists of contributions made by the Union of 7% of the employee's compensation and part two includes contributions from both the employer and employee under provisions of Section 403(b) of the Internal Revenue Code. Contributions from the Union for the 7% contribution become vested on a five-year graded scale, with 100% vesting occurring after five years. Under part two of the Pension Plan, the Union will match contributions up to a maximum of 5% of an employee's compensation. Contributions from employees and the Union's matching contributions are fully vested. The Union's total pension expense for the years ending June 30, 2021 and 2020 were \$173,781 and \$166,549, respectively, and are included on the accompanying statements of activities. The Union's policy is to fund pension costs as incurred.

Note 11 - Postretirement benefits

The Union sponsors a defined benefit postretirement plan (the "DB Plan") that provides lifetime postretirement medical and dental coverage to employees who retire at age 55 or older with at least 10 years of service.

The Union intends to contribute the maximum monthly health premium administered by the CalPERS medical program. At June 30, 2021 and 2020, the Union's plan assets are valued at \$3,012,542 and \$2,381,276, respectively.

The following tables provides further information about the Union's DB plan:

	2021	2020
Benefit obligation at beginning of year	\$ 2,941,624	\$ 2,237,354
Service cost	210,001	159,119
Interest cost	106,810	78,306
Actuarial losses	(418,759)	484,427
Benefits paid	(14,560)	(17,582)
Benefit obligation at end of year	<u>\$ 2,825,116</u>	<u>\$ 2,941,624</u>
Fair value of plan assets at beginning of year	\$ 2,381,276	\$ 2,322,562
Actual return on plan assets	631,266	93,306
Employer contributions	(14,560)	(17,010)
Benefits paid	14,560	(17,582)
Fair value of assets at end of year	<u>3,012,542</u>	<u>2,381,276</u>
Net funded (unfunded) status	<u>\$ 187,426</u>	<u>\$ (560,348)</u>

University-Student Union at California State University, Los Angeles

**Notes to Financial Statements
June 30, 2021 and 2020**

Amounts recognized in the statements of financial position consist of the following:

	<u>2021</u>	<u>2020</u>
Noncurrent assets	<u>\$ 187,426</u>	<u>\$ -</u>
Noncurrent liabilities	<u>\$ -</u>	<u>\$ 560,348</u>

Amounts recognized in net assets without donor restrictions consist of the following:

	<u>2021</u>	<u>2020</u>
UPSC, beginning	\$ 167,429	\$ 192,002
Amounts recognized	<u>(24,573)</u>	<u>(24,573)</u>
UPSC, end	<u>\$ 142,856</u>	<u>\$ 167,429</u>

Amounts recognized in the statements of activities consist of the following:

	<u>2021</u>	<u>2020</u>
Service cost	<u>\$ 210,001</u>	<u>\$ 159,119</u>
Other components of net postretirement benefits cost		
Interest cost	106,810	78,306
Expected return on assets	(142,877)	(139,354)
Amortization of unrecognized prior service cost	24,573	24,573
Amortization of unrecognized gain (loss)	<u>5,783</u>	<u>-</u>
Total other components of net postretirement benefit cost	<u>(5,711)</u>	<u>(36,475)</u>
Total net postretirement benefit cost ("NPBC")	<u>\$ 204,290</u>	<u>\$ 122,644</u>

Other changes recognized in changes in net assets without donor restrictions are as follows:

	<u>2021</u>	<u>2020</u>
Net loss (gain) for period	\$ (907,148)	\$ 530,475
Amortization of prior service cost	(24,573)	(24,573)
Amortization of net gain (loss)	<u>(5,783)</u>	<u>-</u>
Total changes in net assets without donor restrictions	<u>\$ (937,504)</u>	<u>\$ 505,902</u>
Total changes recognized in NPBC and net assets without donor restrictions	<u>\$ (733,214)</u>	<u>\$ 628,546</u>

University-Student Union at California State University, Los Angeles

Notes to Financial Statements June 30, 2021 and 2020

Assumptions

Weighted average assumptions used in accounting for the Union's postretirement benefit plan are as follows at June 30:

	<u>2021</u>	<u>2020</u>
Benefit obligations		
Discount rate	2.84%	3.64%
Rate of return on plan assets	6.00%	6.00%
Rate of compensation increase	N/A	N/A
Medical trend		
Initial	6.80%	6.80%
Ultimate	4.50%	4.50%
Number of years to ultimate	11 years	11 years

The Union's overall investment strategy is to diversify investments among equities, fixed income and other securities. The fair values of the Union's postretirement benefit plan assets at June 30, 2021 and 2020 by asset class are as follows:

	<u>2021</u>	<u>2020</u>
Equities	\$ 1,612,276	\$ 1,141,721
Fixed income	1,158,043	1,042,718
Real estate	<u>242,223</u>	<u>196,837</u>
	<u>\$ 3,012,542</u>	<u>\$ 2,381,276</u>

The plan assets are classified as Level 1 in the fair value hierarchy and are valued using real-time quotes for transactions in active exchange markets involving identical assets.

Cash flows

The following benefit payments, subsequent to June 30, 2021 are expected to be paid as follows:

Years ending June 30,	
2022	\$ 13,286
2023	28,673
2024	48,998
2025	68,279
2026	90,124
2027-2031	<u>587,929</u>
	<u>\$ 837,289</u>

The Union expects to contribute the pay-as-you-go cost of \$13,286 during the next fiscal year.

University-Student Union at California State University, Los Angeles

Notes to Financial Statements June 30, 2021 and 2020

Note 12 - Related party transactions

Associated Students of California State University, Los Angeles, Inc. ("ASI"), an affiliated organization, subleases 2,835 square feet at the southeast corner of the second floor of the University-Student Union Building. Payment is based on the calculation of \$0.42 per square foot for custodial services and \$0.24 per square foot for utilities services. Total payments under the agreement were \$22,453 for each of the years ended June 30, 2021 and 2020, respectively. The Union waived the normal square foot rate for the second-floor space. For the years ended June 30, 2021 and 2020, the Union recorded \$86,751 and \$80,287, respectively, as donated use of facilities and expense on the accompanying statements of activities.

The College of Professional and Global Education ("PaGE"), an affiliated organization, subleases 870 square feet in the first floor of the University-Student Union Building. Payment is based on the calculation of \$1.98 per square foot for occupied space of the first floor, adjusted annually to coincide with the existing General Service Administration rate, and \$0.42 per square foot for custodial services. PaGE took occupancy in March 2012 and the total payment for each of the years ended June 30, 2021 and 2020 was \$31,007 and \$25,056, respectively. The lease was terminated on July 31, 2021. Future minimum payments to be received under the sublease agreement are \$2,219 for the year ended June 30, 2022.

ASI reimburses the Union for certain events. For the years ended June 30, 2021 and 2020, these reimbursements were \$0 and \$5,290, respectively.

The Union is responsible for employing personnel to perform the administrative duties for ASI. ASI reimburses the Union for wages paid and benefits paid along with an administrative fee. Total reimbursed wages and benefits were \$243,998 and \$286,561 for the years ended June 30, 2021 and 2020, respectively. Total administrative fees received were \$5,475 and \$5,512 for the years ended June 30, 2021 and 2020, respectively.

Accounting and financial services for the Union are provided under a contract-for-services agreement with the University, which expires in June 2023 and requires annual payments of \$72,640. Payments under the agreement were \$75,899 and \$72,640, respectively for the years ended June 30, 2021 and 2020.

Human resource management services for the Union are provided under a contract-for-services agreement with the University. The original agreement expired in June 2014 and required total annual payments of \$5,000. An amendment was executed 2014 and the payments under the amended agreement were \$7,000 for each of the years ended June 30, 2021 and 2020.

Systems support services were also provided by the University at an agreed-upon fee of \$28,996 for each of the years ended June 30, 2021 and 2020. This agreement expires in June 2023.

Collection of student union fees was provided by the University under a renewable, contractual agreement which expires in June 2023. Payment is 0.75% of the student union fees collected. Total fees were \$52,116 and \$51,887 for the years ended June 30, 2021 and 2020, respectively.

Administrative and program developing services of the Student Resource Center for the University were provided by the Union under a contractual agreement at an agreed-upon fee of \$115,438 for each of the years ended June 30, 2021 and 2020, which is included in the statements of activities. The contract is renewed automatically on an annual basis unless terminated as provided in the agreement.

University-Student Union at California State University, Los Angeles

Notes to Financial Statements June 30, 2021 and 2020

The Alumni Association, an affiliated organization, subleases space from the Union. The subleased space consists of 1,710 square feet of usable space on the first floor of the University-Student Union building. Subleased payments received for each of the years ended June 30, 2021 and 2020 were \$35,395, and future minimum payments to be received under the sublease agreement are \$35,395 for each of the years ended June 30, 2022 to 2027. Total payments for utilities under the agreement were \$4,925 for each of the years ended June 30, 2021 and 2020. In November 2015, the Union entered an agreement with the Alumni Association to include custodial services. Payments were based on \$0.42 per square foot. Total payments under this agreement were \$8,618 for each of the years ended June 30, 2021 and 2020.

Payroll services for the California State University, Los Angeles Foundation (the "Foundation") were provided by the Union. The Foundation reimburses the Union for wages and benefits paid along with an administrative fee. Total reimbursed wages and benefits were \$30,363 and \$86,105 for the years ended June 30, 2021 and 2020, respectively. Total fees were \$3,852 and \$4,347 for the years ended June 30, 2021 and 2020, respectively.

The Foundation subleases space from the Union. The subleased space consists of 375 square feet of usable space on the first floor of the University-Student Union Building. In March 2010, the Union revised the agreement to waive the normal square footage rate and payment was also based on the calculation of \$0.24 per square foot for utility services. For the years ended June 30, 2021 and 2020, the Union recorded \$11,475 and \$10,620, respectively, as donated use of facilities and expense on the accompanying statements of activities. Payments received during each of the years ended June 30, 2021 and 2020 for utility services were \$1,080. In November 2015, the Union entered an agreement with the Foundation to include custodial service. Payment was based on the \$0.42 per square foot for custodial services. Total payment under the agreement for custodial services was \$1,890 for each of the years ended June 30, 2021 and 2020.

University Auxiliary Services ("UAS"), an affiliated organization subleases space from the Union. The subleased space consists of 4,136 square feet of commercial retail space on the first floor of the University-Student Union Building. Payment was based on \$1.80 per square foot for occupied space, adjusted annually to coincide with the existing General Service Administration rate. UAS occupied the premises in August 2008. In June 2009, the Union agreed to reduce the space rental to \$2,000 per month. Payment received for each of the years ended June 30, 2021 and 2020 was \$0 and \$28,749, respectively, and future minimum payments to be received under the sublease agreement are \$89,328 for the year ended June 30, 2022.

The Union advanced UAS \$172,000 in 2008 for furniture and equipment and \$318,000 in 2008 for tenant improvements in the University-Student Union Building (see Note 6). As of June 30, 2021 and 2020, \$63,600 and \$84,800 is outstanding, respectively.

The Alumni Association has a noncancelable lease agreement with the Union for office space in the University-Student Union Building (see Note 7).

University-Student Union at California State University, Los Angeles

**Notes to Financial Statements
June 30, 2021 and 2020**

The following table summarizes accounts receivable and accounts payable with affiliated organizations at June 30:

	<u>2021</u>	<u>2020</u>
Receivables		
ASI	\$ 15,691	\$ 841
The University	<u>6,437</u>	<u>-</u>
Total	<u>\$ 22,128</u>	<u>\$ 841</u>
Payables		
University	<u>\$ 18,180</u>	<u>\$ 18,904</u>

Supplementary Information

University-Student Union at California State University, Los Angeles

Schedule of Net Position Year Ended June 30, 2021 (for Inclusion in the California State University)

Assets:	
Current assets:	
Cash and cash equivalents	\$ 461,079
Short-term investments	5,906,734
Accounts receivable, net	22,128
Capital lease receivable, current portion	-
Notes receivable, current portion	21,200
Pledges receivable, net	-
Prepaid expenses and other current assets	252,456
Total current assets	6,663,597
Noncurrent assets:	
Restricted cash and cash equivalents	-
Accounts receivable, net	-
Capital lease receivable, net of current portion	-
Notes receivable, net of current portion	42,400
Student loans receivable, net	-
Pledges receivable, net	-
Endowment investments	-
Other long-term investments	-
Capital assets, net	69,071
Other assets	187,426
Total noncurrent assets	298,897
Total assets	\$ 6,962,494
Deferred outflows of resources:	
Unamortized loss on debt refunding	-
Net pension liability	-
Net OPEB liability	-
Others	-
Total deferred outflows of resources	-
Liabilities:	
Current liabilities:	
Accounts payable	\$ 167,434
Accrued salaries and benefits	61,886
Accrued compensated absences, current portion	71,170
Unearned revenues	238,262
Capital lease obligations, current portion	-
Long-term debt obligations, current portion	-
Claims liability for losses and loss adjustment expenses, current portion	-
Depository accounts	-
Other liabilities	-
Total current liabilities	538,752
Noncurrent liabilities:	
Accrued compensated absences, net of current portion	\$ 84,130
Unearned revenues	-
Grants refundable	-
Capital lease obligations, net of current portion	-
Long-term debt obligations, net of current portion	-
Claims liability for losses and loss adjustment expenses, net of current portion	-
Depository accounts	-
Net other postemployment benefits liability	-
Net pension liability	-
Other liabilities	-
Total noncurrent liabilities	84,130
Total liabilities	\$ 622,882
Deferred inflows of resources:	
Service concession arrangements	-
Net pension liability	-
Net OPEB liability	-
Unamortized gain on debt refunding	-
Nonexchange transactions	-
Others	-
Total deferred inflows of resources	-
Net position:	
Net investment in capital assets	\$ 69,071
Restricted for:	
Nonexpendable – endowments	-
Expendable:	
Scholarships and fellowships	-
Research	-
Loans	-
Capital projects	-
Debt service	-
Others	-
Unrestricted	6,270,541
Total net position	\$ 6,339,612

See Independent Auditor's Report.

University-Student Union at California State University, Los Angeles

Schedule of Revenues, Expenses and Changes in Net Position Year Ended June 30, 2021 (for Inclusion in the California State University)

Revenues:

Operating revenues:

Student tuition and fees, gross	\$	-
Scholarship allowances (enter as negative)		-
Grants and contracts, noncapital:		
Federal		-
State		-
Local		-
Nongovernmental		-
Sales and services of educational activities		-
Sales and services of auxiliary enterprises, gross		160,344
Scholarship allowances (enter as negative)		-
Other operating revenues		4,844,619
Total operating revenues		5,004,963

Expenses:

Operating expenses:

Instruction		-
Research		-
Public service		-
Academic support		-
Student services		2,522,087
Institutional support		787,958
Operation and maintenance of plant		820,945
Student grants and scholarships		-
Auxiliary enterprise expenses		-
Depreciation and amortization		37,725
Total operating expenses		4,168,715
Operating income (loss)		836,248

Nonoperating revenues (expenses):

State appropriations, noncapital		-
Federal financial aid grants, noncapital		-
State financial aid grants, noncapital		-
Local financial aid grants, noncapital		-
Nongovernmental and other financial aid grants, noncapital		-
Other federal nonoperating grants, noncapital		-
Gifts, noncapital		98,226
Investment income (loss), net		7,485
Endowment income (loss), net		-
Interest expense		-
Other nonoperating revenues (expenses) - excl. interagency transfers		937,504
Net nonoperating revenues (expenses)		1,043,215
Income (loss) before other revenues (expenses)		1,879,463

State appropriations, capital		-
Grants and gifts, capital		-
Additions (reductions) to permanent endowments		-
Increase (decrease) in net position		1,879,463

Net position:

Net position at beginning of year, as previously reported		4,460,149
Restatements		-
Net position at beginning of year, as restated		4,460,149
Net position at end of year	\$	6,339,612

See Independent Auditor's Report.

University-Student Union at California State University, Los Angeles

Other Information June 30, 2021 (for Inclusion in the California State University)

1 Cash and cash equivalents:

Portion of restricted cash and cash equivalents related to endowments	\$	-
All other restricted cash and cash equivalents		-
Noncurrent restricted cash and cash equivalents		-
Current cash and cash equivalents		461,079
Total	\$	461,079

2.1 Composition of investments:

Investment Type	Current		Noncurrent		Total
Money market funds	\$	-	\$	-	\$ -
Repurchase agreements		-		-	-
Certificates of deposit		-		-	-
U.S. agency securities		-		-	-
U.S. treasury securities		-		-	-
Municipal bonds		-		-	-
Corporate bonds		-		-	-
Asset backed securities		-		-	-
Mortgage backed securities		-		-	-
Commercial paper		-		-	-
Mutual funds		-		-	-
Exchange traded funds		-		-	-
Equity securities		-		-	-
Alternative investments:		-		-	-
Private equity (including limited partnerships)		-		-	-
Hedge funds		-		-	-
Managed futures		-		-	-
Real estate investments (including REITs)		-		-	-
Commodities		-		-	-
Derivatives		-		-	-
Other alternative investment		-		-	-
Other external investment pools		-		-	-
CSU Consolidated Investment Pool (formerly SWIFT)		-		-	-
State of California Local Agency Investment Fund (LAIF)		5,906,734		-	5,906,734
State of California Surplus Money Investment Fund (SMIF)		-		-	-
Other investments:		-		-	-
Total Other investments		-		-	-
Total investments		5,906,734		-	5,906,734
Less endowment investments (enter as negative number)		-		-	-
Total investments, net of endowments	\$	5,906,734	\$	-	\$ 5,906,734

See Independent Auditor's Report.

University-Student Union at California State University, Los Angeles

Other Information June 30, 2021 (for Inclusion in the California State University)

2.2 Fair value hierarchy in investments:

Investment Type	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value (NAV)
Money market funds	\$ -	\$ -	\$ -	\$ -	\$ -
Repurchase agreements	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
U.S. agency securities	-	-	-	-	-
U.S. treasury securities	-	-	-	-	-
Municipal bonds	-	-	-	-	-
Corporate bonds	-	-	-	-	-
Asset backed securities	-	-	-	-	-
Mortgage backed securities	-	-	-	-	-
Commercial paper	-	-	-	-	-
Mutual funds	-	-	-	-	-
Exchange traded funds	-	-	-	-	-
Equity securities	-	-	-	-	-
Alternative investments:					
Private equity (including limited partnerships)	-	-	-	-	-
Hedge funds	-	-	-	-	-
Managed futures	-	-	-	-	-
Real estate investments (including REITs)	-	-	-	-	-
Commodities	-	-	-	-	-
Derivatives	-	-	-	-	-
Other alternative investment	-	-	-	-	-
Other external investment pools	-	-	-	-	-
CSU Consolidated Investment Pool (formerly SWIFT)	-	-	-	-	-
State of California Local Agency Investment Fund (LAIF)	5,906,734	-	-	-	5,906,734
State of California Surplus Money Investment Fund (SMIF)	-	-	-	-	-
Other investments:					
Total Other investments	-	-	-	-	-
Total investments	\$ 5,906,734	\$ -	\$ -	\$ -	\$ 5,906,734

2.3 Investments held by the University under contractual agreements:

Instruction: Amounts should agree with University's investments held on behalf of Discretely Presented Component Units.

	Current	Noncurrent	Total
Investments held by the University under contractual agreements e.g - CSU Consolidated Investment Pool (formerly SWIFT):	\$ -	\$ -	-

University-Student Union at California State University, Los Angeles

Other Information June 30, 2021 (for Inclusion in the California State University)

3.1 Composition of capital assets:

	Balance June 30, 2020	Reclassifications	Prior Period Additions	Prior Period Retirements	Balance June 30, 2020 (Restated)	Additions	Retirements	Transfer of completed CWIP/PWIP	Balance June 30, 2021
Non-depreciable/Non-amortizable capital assets:									
Land and land improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Works of art and historical treasures	-	-	-	-	-	-	-	-	-
Construction work in progress (CWIP)	-	-	-	-	-	-	-	-	-
Intangible assets:									
Rights and easements	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-
Intangible assets in progress (PWIP)	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets:	-	-	-	-	-	-	-	-	-
Total Other intangible assets	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Total non-depreciable/non-amortizable capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Depreciable/Amortizable capital assets:									
Buildings and building improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-	-
Personal property:									
Equipment	437,183	-	-	-	437,183	15,878	-	-	453,061
Library books and materials	-	-	-	-	-	-	-	-	-
Intangible assets:									
Software and websites	-	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets:	-	-	-	-	-	-	-	-	-
Total Other intangible assets:	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Total depreciable/amortizable capital assets	437,183	-	-	-	437,183	15,878	-	-	453,061
Total capital assets	\$ 437,183	\$ -	\$ -	\$ -	\$ 437,183	\$ 15,878	\$ -	\$ -	\$ 453,061
Less accumulated depreciation/amortization: (enter as negative number, except for reductions enter as positive number)									
Buildings and building improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-	-
Personal property:									
Equipment	(346,265)	-	-	-	(346,265)	(37,725)	-	-	(383,990)
Library books and materials	-	-	-	-	-	-	-	-	-
Intangible assets:									
Software and websites	-	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets:	-	-	-	-	-	-	-	-	-
Total Other intangible assets:	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	(346,265)	-	-	-	(346,265)	(37,725)	-	-	(383,990)
Total capital assets, net	\$ 90,918	\$ -	\$ -	\$ -	\$ 90,918	\$ (21,847)	\$ -	\$ -	\$ 69,071

3.2 Detail of depreciation and amortization expense:

Depreciation and amortization expense related to capital assets	\$ 37,725
Amortization expense related to other assets	-
Total depreciation and amortization	\$ 37,725

See Independent Auditor's Report.

University-Student Union at California State University, Los Angeles

Other Information June 30, 2021 (for Inclusion in the California State University)

4 Long-term liabilities:

	Balance June 30, 2020	Prior Period Adjustments/Reclassifications	Balance June 30, 2020 (Restated)	Additions	Reductions	Balance June 30, 2021	Current Portion	Noncurrent Portion
1. Accrued compensated absences	\$ 143,083	\$ -	\$ 143,083	\$ 83,387	\$(71,170)	\$ 155,300	\$ 71,170	\$ 84,130
2. Claims liability for losses and loss adjustment expenses	-	-	-	-	-	-	-	-
3. Capital lease obligations:								
Gross balance	-	-	-	-	-	-	-	-
Unamortized net premium/(discount)	-	-	-	-	-	-	-	-
Total capital lease obligations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Long-term debt obligations:								
4.1 Auxiliary revenue bonds (non-SRB related)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4.2 Commercial paper	-	-	-	-	-	-	-	-
4.3 Notes payable (SRB related)	-	-	-	-	-	-	-	-
4.4 Others:								
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total others	-	-	-	-	-	-	-	-
Sub-total long-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4.5 Unamortized net bond premium/(discount)	-	-	-	-	-	-	-	-
Total long-term debt obligations	-	-	-	-	-	-	-	-
Total long-term liabilities	\$ 143,083	\$ -	\$ 143,083	\$ 83,387	\$(71,170)	\$ 155,300	\$ 71,170	\$ 84,130

5 Capital lease obligations schedule:

	Capital lease obligations related to SRB			All other capital lease obligations			Total capital lease obligations		
	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest
Year ending June 30:									
2022	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	-	-	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-	-
2026	-	-	-	-	-	-	-	-	-
2027 - 2031	-	-	-	-	-	-	-	-	-
2032 - 2036	-	-	-	-	-	-	-	-	-
2037 - 2041	-	-	-	-	-	-	-	-	-
2042 - 2046	-	-	-	-	-	-	-	-	-
2047 - 2051	-	-	-	-	-	-	-	-	-
Thereafter	-	-	-	-	-	-	-	-	-
Total minimum lease payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less: amounts representing interest									-
Present value of future minimum lease payments									-
Unamortized net premium/(discount)									-
Total capital lease obligations									-
Less: current portion									-
Capital lease obligations, net of current portion									\$ -

Other Information
June 30, 2021
(for Inclusion in the California State University)

[illegible]

Payments to University for salaries of University personnel working on contracts, grants, and other programs

Payments to University for other than salaries of University personnel

Payments received from University for services, space, and programs

Gifts-in-kind to the University from discretely presented component units

Gifts (cash or assets) to the University from discretely presented component units

Accounts (payable to) University (enter as negative number)

Other amounts (payable to) University (enter as negative number)

Accounts receivable from University (enter as positive number)

Other amounts receivable from University (enter as positive number)

		Debit/(Credit)
Restatement #1	<div>Enter transaction description</div>	
		\$ -
Restatement #2	<div>Enter transaction description</div>	
		\$ -

University-Student Union at California State University, Los Angeles

Other Information June 30, 2021 (for Inclusion in the California State University)

⁹ Natural classifications of operating expenses:

	Salaries	Benefits - Other	Benefits - Pension	Benefits - OPEB	Scholarships and fellowships	Supplies and other services	Depreciation and amortization	Total operating expenses
Instruction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Research	-	-	-	-	-	-	-	-
Public service	-	-	-	-	-	-	-	-
Academic support	-	-	-	-	-	-	-	-
Student services	1,303,185	559,019	114,695	-	-	545,188	-	2,522,087
Institutional support	338,614	143,989	29,543	-	-	275,812	-	787,958
Operation and maintenance of plant	331,342	143,991	29,543	-	-	316,069	-	820,945
Student grants and scholarships	-	-	-	-	-	-	-	-
Auxiliary enterprise expenses	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	37,725	37,725
Total operating expenses	\$ 1,973,141	\$ 846,999	\$ 173,781	\$ -	\$ -	\$ 1,137,069	\$ 37,725	\$ 4,168,715

¹⁰ Deferred outflows/inflows of resources:

1. Deferred Outflows of Resources

Deferred outflows - unamortized loss on refunding(s)	\$ -
Deferred outflows - net pension liability	-
Deferred outflows - net OPEB liability	-
Deferred outflows - others:	
Sales/intra-entity transfers of future revenues	-
Gain/loss on sale leaseback	-
Loan origination fees and costs	-
Change in fair value of hedging derivative instrument	-
Irrevocable split-interest agreements	-
Total deferred outflows - others	-
Total deferred outflows of resources	\$ -

2. Deferred Inflows of Resources

Deferred inflows - service concession arrangements	\$ -
Deferred inflows - net pension liability	-
Deferred inflows - net OPEB liability	-
Deferred inflows - unamortized gain on debt refunding(s)	-
Deferred inflows - nonexchange transactions	-
Deferred inflows - others:	
Sales/intra-entity transfers of future revenues	-
Gain/loss on sale leaseback	-
Loan origination fees and costs	-
Change in fair value of hedging derivative instrument	-
Irrevocable split-interest agreements	-
Total deferred inflows - others	-
Total deferred inflows of resources	\$ -

¹¹ Other nonoperating revenues (expenses)

Other nonoperating revenues	\$ 937,504
Other nonoperating (expenses)	-
Total other nonoperating revenues (expenses)	\$ 937,504

Independent Auditor's Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit of
Financial Statements Performed in Accordance with *Government Auditing Standards*

The Board of Directors
University-Student Union at California State University, Los Angeles
(A California State Auxiliary Organization)

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of University-Student Union at California State University, Los Angeles (the "Union"), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated September 20, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Union's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Union's internal control. Accordingly, we do not express an opinion on the effectiveness of the Union's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Union's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CohnReznick LLP

Los Angeles, California
September 20, 2021



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